



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
OFFICE OF THE STATE BUDGET
LANSING

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Governor Granholm Signs Budgets That Protect Children, Jobs, and the Environment

LANSING – Governor Jennifer M. Granholm signed into law fiscal year 2004 appropriations bills for the Departments of Consumer & Industry Services, Career Development/Michigan Strategic Fund, and Environmental Quality. She also signed the fiscal year 2004 budgets for the Family Independence Agency and revenue sharing for local units of government.

“Despite our economic challenges, our focus on protecting children, creating jobs and preserving our natural resources will continue,” said Granholm.

Consumer & Industry Services

The \$603.5 million budget, \$19.7 million of which is general fund, supports the health, safety, and economic well-being of the public through effective oversight and customer services. Senate Bill 286 supports replacing a portion of the department’s general fund budget with fee increases for various regulated professions.

Governor Granholm noted that the budget will promote quality, affordable housing and continue efforts to address the current nursing shortage in Michigan.

Career Development/Michigan Strategic Fund

Fiscal year 2004 appropriations total \$466.9 million for career development and job training initiatives, and \$104.5 million to support the Michigan Economic Development Corporation (MEDC).

“In order to get Michigan’s economic engine running at full speed, we must invest in essential job creation and economic development initiatives,” said Granholm. “I have every confidence that with MEDC’s valued assistance, we will attract more businesses, jobs, and families to our great state.”

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The total available for the Life Sciences and Technology Tri-Corridor for the coming year is \$25 million. The life sciences program will be funded with \$10 million from the tobacco settlement revenue and \$5 million from the general fund. In addition, the MEDC has committed \$10 million from corporate funds for the Governor's Technology Tri-Corridor.

The Legislature also concurred with Governor Granholm's recommendation to provide Focus:HOPE with \$5.8 million for fiscal year 2004.

Environmental Quality

The Department of Environmental Quality will be funded with \$346.4 million which includes \$56.2 general fund, to focus on environmental monitoring, permitting, enforcement, and innovative partnerships that add to the quality of life enjoyed by all citizens.

"While spending has been reduced, the state will be able to continue our commitment to protect and preserve Michigan's natural resources for generations to come," said Granholm.

Highlights of House Bill 4393 include:

- \$700,000 for dredging of contaminated canals in the City of St. Clair Shores;
- \$8.6 million in support of the National Pollutant Discharge Elimination System (NPDES) Program, including \$3 million of estimated new NPDES fees;
- \$1.9 million in support of the Septage Waste Program which provides grants to local units of government to ensure that disposal is not detrimental to the environment;
- \$1.7 million in new groundwater discharge permit fees in support of the Groundwater Discharge Program;
- \$2.5 million in support of the Stormwater Discharge Program which will allow the Department to comply with Phase II of the Federal Storm Water Program; and
- \$2.8 million in additional funding for scrap tire grants.

The Governor vetoed a section of the bill that provides \$1 million to establish and operate a comprehensive monitoring program for the St. Clair River, Lake St. Clair, and the Clinton River watershed. Fiscal year 2003 appropriations contained sufficient

funding to implement the monitoring plan jointly developed by the department and the Macomb County Health Department.

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Family Independence Agency

This bill appropriates \$3.96 billion, which includes \$1.13 general fund, an amount that represents a significant commitment to the safety, well-being, and independence of Michigan's children and families.

Highlights of Senate Bill 283 include:

- full funding of projected caseloads and costs for the Family Independence Program (\$369.3 million), State Disability Assistance Program (\$28.7 million), Food Assistance Program (\$833 million), and Child Day Care Services (\$490.2 million);
- an appropriation of over \$600 million for the foster care, child care fund, and adoption subsidies programs to provide children with caring families and safe homes;
- \$70 million for maintenance and operation of Michigan's child support enforcement system which is scheduled to be implemented in all 83 counties and federally certified by September 30, 2003; and
- a \$12.7 million increase to improve the accuracy and integrity of the food assistance administration and avoid future federal sanctions.

"I am pleased that we were able to craft a responsible budget while protecting key initiatives for children and families," said Granholm.

The Governor vetoed several items in the budget in order to free up revenue to fund inadequate appropriations and to begin to address a structural imbalance in the temporary assistance for needy families (TANF) block grant in fiscal year 2005.

Revenue Sharing

Senate Bill 575 provides for an equitable distribution of the \$1.4 billion in revenue sharing funding contained in Senate Bill 270, the fiscal year 2004 budget for the Department of Treasury. Revenue sharing payments will be held to a uniform 3 percent reduction from fiscal year 2003 levels, ensuring parity among all communities.

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